DOCUMENT RESUME

ED 444 775 RC 022 425

AUTHOR	Kilpatrick, Sue; Bell, Rowena; Falk, Ian
TITLE	Groups of Groups: The Role of Group Learning in Building Social Capital. CRLRA Discussion Paper Series.
INSTITUTION	Tasmania Univ., Launceston (Australia). Center for Research and Learning in Regional Australia.
REPORT NO	D3/1998
PUB DATE	1998-09-00
NOTE	15p.; Paper presented at the Annual Conference of the Australian Vocational Education and Training Research Association (AVETRA) (Sydney, Australia, February 16-17, 1998).
AVAILABLE FROM	Full text at Web site: http://www.crlra.utas.edu.au.
PUB TYPE	Reports - Research (143) -- Speeches/Meeting Papers (150)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Case Studies; Cooperative Programs; *Farm Management; *Farmers; Foreign Countries; Group Dynamics; *Informal Education; Interpersonal Relationship; *Learning Experience; *Rural Areas; Rural Development; Small Businesses; *Social Capital; Social Networks
IDENTIFIERS	Australia (Tasmania); *Learning Communities

ABSTRACT

The Centre for Research and Learning in Regional Australia is investigating the elements of social capital and developing a set of indicators that show when social capital is building. The indicators can be used where groups or organizations with a shared purpose engage in productive interactions that benefit not only the individual member groups but also the "learning community" as a whole. The intention is that the indicators will be applicable to geographic communities, professional or common interest communities, such as professional associations, and groups of businesses such as Executive Link[TM], the subject of this paper. Executive Link consists of farm businesses that meet for nonformal training in several chapters in eastern Australia. Each chapter consists of about six farm businesses and their owner/managers who share their business management expertise. Executive Link appears to have features of a learning community, including a shared purpose and learning interactions across the boundaries of individual member businesses and chapters. This paper identifies networks, commitments, and shared values as the elements of social capital that contribute to the quality of learning interactions. Suggested indicators of social capital building include development of a shared language, shared experiences, trust, self-development, and an identification with the community. (Contains 25 references.) (Author/TD)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 444 775

GROUPS OF GROUPS: THE ROLE OF GROUP LEARNING IN BUILDING SOCIAL CAPITAL

Sue Kilpatrick, Rowena Bell & Ian Falk

Centre for Research and Learning in Regional Australia
Faculty of Education
University of Tasmania
PO Box 1214
Launceston, Tasmania 7250
Australia
Phone: (03) 6324 3018
Fax: (03) 6324 3040
E-mail: Sue.Kilpatrick@utas.edu.au
http://www.crlra.utas.edu.au

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☑ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
Dr. Sue Kirkpatrick
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)"

Abstract

The Centre for Research and Learning in Regional Australia is investigating the elements of social capital and developing a set of indicators that show that social capital is building. The indicators can be used where groups or organisations with a shared purpose engage in productive interactions which benefit not only the individual member groups, but the 'learning community' as a whole. The intention is that the indicators will be applicable to geographic communities, professional or common interest communities, such as professional associations, and groups of businesses such as Executive Link™, the subject of this paper.

Executive Link™ consists of farm businesses which meet for nonformal training in several Chapters in eastern Australia. Each Chapter consists of a number of Boards made up of around six farm businesses and their owner/managers who share their business management expertise.

Executive Link™ appears to have features of a learning community, including a shared purpose, and learning interactions across the boundaries of individual member businesses, Boards and Chapters. This paper identifies networks, commitments and shared values as the elements of social capital which contribute to the quality of learning interactions. Indicators of social capital building are suggested to be development of a shared language, shared experiences, building trust, self development and fostering an identification with the community.

Paper presented at: AVETRA 1998 Conference, University of Technology Sydney, February 16-17 1998.

Paper D3/1998 in the *CRLRA Discussion Paper Series*

© September 1998

Rc 022425

BEST COPY AVAILABLE

Social capital and learning

> Your corn is ripe today; mine will be so tomorrow. 'Tis profitable for us both, that I should labour with you today, and that you should aid me tomorrow. I have no kindness for you, and you have as little for me. I will not, therefore, take any pains upon your account; and should I labour with you upon my own account, in expectation of a return, I know I should be disappointed, and that I should in vain depend on your gratitude. Here then I leave you to labour alone; You treat me in the same manner. The seasons change; and both of us lose our harvests for want of mutual confidence and security. (David Hume in Putnam, 1993, 1)

> There was tremendous commitment to... go to that [Board member's] place... we went on a Saturday and most of us were in the middle of shearing... I had to get people to do my work for me and the other members of the Board were in the same boat... We just had to do it, and it worked really well and we all gained from it. (Executive Link™ business 4)

Both these quotes are about farmers, farm work, cooperation and mutual benefit. The first is from 18th Century Scottish philosopher David Hume and the second from a farm business owner whose business belongs to Executive Link™, a farm business learning group which is the subject of this paper. David Hume suggests that, in the absence of some security, farmers do not have sufficient confidence in each other to help each other out. The farm owners of the second quote have helped another owner out with a management problem, even though it has cost them replacement labour. They recognise and have realised benefits from cooperation. What allows the Executive Link™ member business managers to overcome Hume's dilemma and cooperate?

Putnam (1993) suggests that social capital in the form of networks, norms and trust, facilitates cooperation for mutual benefit. Writers such as Putnam, Coleman (1990) and Cox (1998) all talk of social capital as a public good which enables a greater output to be produced from the stock of physical and human capital in a society. Putnam's paper is entitled 'The prosperous community'; community development literature recognises the necessity for social capital in building economically and socially viable and sustainable communities (for example, Topolsky, 1997). Other literature links economic development to building learning communities (for example, Brooks & Moore, 1997). Communities can be geographic communities or professional or common interest communities, such as professional associations, networks of businesses and hobby clubs.

Putnam, Coleman and Cox speak of social capital as a stock which accumulates through use. Its networks, norms and trust are self-reinforcing. Social capital is the oil which lubricates social processes so as to enhance the outcomes of those processes. Putnam (1993) gives the example of the overseas Chinese community as a community with 'high' or 'quality' social capital. He points to the extensive networks based on extended families which cross national borders, and the willingness of the overseas Chinese to help out other members of the community in financial and social ways. Younger members of the community use the network and expand its social capital as they extend networks and meet and accumulate obligations to the community. The

outcome is a strong international community which fares very well by economic measures.

By its very nature, social capital belongs to the group, not to any one individual. It can be used by groups and by individuals. Social capital is accumulated through interactions: interactions between individuals, between individuals and groups and between groups of groups.

Learning can (and frequently does) occur when individuals and groups interact. This is true in the context of society as a whole, within organisations, and within groups (or networks) of organisations. Learning occurs through interactions between individuals, between individuals and groups and between groups of groups (Falk, 1997). We are interested in the aspects of social capital that affect the quality of these interactions and the quality of their learning outcomes.

Social capital can be thought of as the oil which lubricates the process of learning through interaction. The quality of the social processes and relationships within which learning interactions take place is especially influential on the quality of the learning outcomes in informal learning and for adults learning 'on-the-job'. Taken one step further, this paper suggests that social capital plays an important role in influencing change, and sustaining an environment which is ready to adapt and change. An examination of models of learning in groups and communities helps clarify this role.

Models of learning

The term 'learning' is slippery. Harrison and Falk (1997) suggest learning has two components: its process and the outcomes of that process. Here we note that we can observe the outcomes of learning, in particular we can observe change as an outcome of learning. The process of learning occurs in the context of the social capital of the community in which the individual, group or organisation learns.

Learning assists people receive, decode and understand information, and hence make better decisions (Thomas, Ladewig & McIntosh, 1990; Welch, 1970). Learning can also make businesses aware of a greater range of possible new practices (Rogers, 1995). In short, learning assists businesses to make successful changes to their practice (see for example, Kilpatrick, 1996).

Lave and Wenger (1991) suggest a model of learning as social construction. Learners learn to function in a community by learning the shared language and acquiring the community's subjective viewpoint. Brown and Duguid (1991) talk of shared meanings for interpreting complex activities being formed and transformed through problem solving in workplace communities. Kasl and Marsick (1997) use the term group learning, which they define as "when all members perceive themselves as having contributed to a group outcome, and all members of the group can individually describe what the group as a system knows" (p. 250).

Learning in communities, then, is about learning how the community behaves, what processes to follow, what attitudes and values to hold, language to speak and how to access the community's knowledge.

Lundvall (1992) proposes that change is a cumulative process which builds on existing knowledge and practices through interactive learning. Organisations which adapt and change as a result of interactive learning activities are learning organisations. Learning organisations are characterised by both intra-organisational learning and inter-organisational learning. Learning organisations occur because of "the vision of individuals, groups and organisational networks committed to and capable of continuous learning through information exchange, experimentation, dialogue, negotiation and consensus building" (Kochan & Useem, 1992, 391).

This concept of continuous learning in organisations, groups or communities leads us to another feature of social capital. Social capital fosters a dynamic process where the community and its members are always increasing their capacity to produce favourable outcomes (Topolsky, 1997). The literature of community development, of which Topolsky is a part, speaks of the capacity building role of social capital. Social capital, then, promotes ability and willingness to make successful changes through its influence on the learning process. It does so by lubricating the productive interactions between individuals and groups. Social capital can be self-generating through the learning interactions which it facilitates. Cox (1998) compares social capital to a magic pudding (Lindsay, 1918) which increases in size as it is eaten.

Small business, learning and social capital

Small business account for 95% of all businesses and over half over private sector employment (Australian Bureau of Statistics, 1995). Small business are defined as firms with less than 20 employees plus manufacturing firms with less than 100 employees. There are pressures on small business to be responsive, flexible and adaptable in order to compete in a changing world. Agriculture is one industry which is dominated by small business. It is a significant contributor to the Australian economy, producing 29% of exports. Both industry leaders and government recognise that farm businesses must be flexible and adaptable in order to manage the risks of the Australian climate and changes in global markets, and for Australian agriculture to be internationally competitive. Farmers are being urged to acquire new skills in order to manage change (National Farmers' Federation, 1993; Anderson, 1997).

The ultimate test of effective organisational learning, according to Crossan and Hulland (forthcoming) is the ability of the organisation to adapt and renew, or change in strategic ways. Changes to the structures or strategies of the organisation are the outcome of learning: the changed strategies and structures are the evidence of the organisation's learning.

Smith and Duguid (1991) point out that the most powerful source of innovation lies outside the organisation itself. Inter-organisational learning is particularly important for small businesses. Individual businesses have small workforces, with consequently limited opportunities for interactive learning within their organisation. This is reflected in the amount of change occurring in single and dual operator family farm businesses. These small businesses, which comprise 74% of all Australian farm businesses, are less likely to make changes to farming practices than those with larger management teams, from a survey of 2500 farm businesses (Kilpatrick, 1996).

Support in implementing a change is vital if the change is to be successful (Kilpatrick, 1997). Social support is just as important as physical infrastructure in ensuring that, once implemented, a change is not discontinued (Rogers & Shoemaker, 1971). The isolation experienced by many living and working in rural areas reduces the opportunity to build information and support networks; isolation reduces access to social capital. Social capital builds in learning communities such as Executive Link™. Lubricated by the oil of social capital, learning is more effective. The learning outcome for rural small business will be improved business performance as a result of promoting their managers' ability to make appropriate change and providing support in the implementation of change (Kilpatrick, 1996).

Purpose of the research

The Centre for Research and Learning in Regional Australia is developing a set of indicators of social capital which apply where groups or organisations engage in productive interactions which benefit not only the individual member groups, but the 'learning community' (or society) as a whole. The intention is that the indicators will be applicable to geographic communities, professional or common interest communities, such as professional associations, and groups of businesses such as Executive Link™, the subject of this paper.

We were approached by one of the facilitators of Executive Link™ who was interested in a mutually beneficial relationship. Executive Link™ knew they had a successful formula for facilitating their members' learning. They were following the best adult learning principles, but they wanted to do even better. We were very interested in studying Executive Link™ because they are organised as a group of groups, and they regard themselves as a 'learning community'.

We ask: what evidence is there of social capital working to build an environment which fosters small business learning? How does it work? and What impact does the structure of Executive Link™ as a group of groups have on social capital? This paper concentrates on the first two of these questions. The second will be addressed in a subsequent paper.

What is Executive Link™?

Executive Link™ consists of farm businesses which meet for regular nonformal education and training in several Chapters in eastern Australia. Each Chapter consists of a number of Boards made up of around six member farm businesses and their owner/managers. The owner /managers of a farm businesses are a group, which joins with other manager groups in a Board. The Boards are groups which together form a Chapter, and the group of Chapters constitutes Executive Link™. Thus there are three layers of groups of groups: Boards, Chapters and Executive Link™.

Members must complete a prerequisite farm management training course (which is not accredited/registered under the Australian Recognition Framework) before joining Executive Link™. Meetings are held three times per year as residential workshops of three days duration. Each meeting has two components: an experiential component based on members' workplace (business) situations and a training component, usually featuring an external trainer or facilitator. In the first component, farm businesses in each Board share information about the physical and financial performance of their businesses with the intention of learning how to better manage their businesses. The Board provides management advice to its members, who are free to accept or reject that advice. Training topics in the second component range widely from self development topics such as positive thinking to management topics such as getting the most out of financial statements.

The farm management consultants manage Executive Link™ with the assistance of representatives of the Chapter members, and organise meetings. Boards membership is generally static: only a few members have left Executive Link™, and new members are placed together in new Boards. Members pay an annual fee to cover the costs of the consultant's time and the external facilitators.

Most members of Executive Link™, like the majority of Australian farm businesses, are husband and wife partnerships, although multi-generation farm businesses are represented. Ages of members range from the early twenties to late fifties/sixties, with most in their thirties and forties. Typically, all members of the businesses management team attend Executive Link™ meetings. Being a member of Executive Link™ demands being open to change, and requires a demonstrated commitment to training (the prerequisite course). From earlier work on change and training in farm businesses (Kilpatrick, 1996) it is safe to say that the members of Executive Link™ are not typical of Australian farm businesses.

Executive Link™ has been operating for six years. The Chapter we observed is two years old. The life of each board is planned to be three years. The organisers and original members are searching for options for members beyond three years.

Executive Link™ meetings are structured in a deliberate way to facilitate learning. The structure is set by the farm management consultants who run the

prerequisite farm management training course. They actively seek out and incorporate good practice in adult learning and techniques for working in groups. Members are selected into Boards to provide a balance of personality types on each Board. The selection is based on personality tests of the managers of new member businesses.

The members and consultant facilitators exude enthusiasm for Executive Link™. In initial contact with the facilitators and in casual conversation with members during breaks in the meeting we observed, all were quick to give examples of benefits to members from their participation. The consultant facilitators and members are proud of Executive Link™ and its achievements.

In summary, Executive Link™ appeared to have features of a learning community, including a shared purpose (improving farm businesses through better management and achieving visions for the businesses), and interactions across the boundaries of the individual member business, Boards and Chapters.

Methodology

We observed an Executive Link™ meeting, and conducted a focus group with 15 volunteers at the end of the second day. Following the meeting, we developed a semi-structured interview questionnaire which we administered to nine volunteer members at their businesses. We also interviewed three facilitators. Preliminary analysis of the qualitative data from the focus group and the initial member interviews, along with observations from the meeting, forms the basis of this paper.

Learning and Executive Link™

The learning process

The Boards which make up an Executive Link™ Chapter exhibit a group life cycle which follows the first four of the five stages of the classic model of group development: forming, storming, norming and performing (Benjamin, Bessant & Watts, 1997). The Chapter we observed has not been operating long enough for Boards to have reached the final mourning/reforming stage. The member business, in contrast, are mostly at the reforming stage. Most came to Executive Link™ believing they had been performing, but wanted something more. The outcomes of their learning are changes which are reforming the business by changes to the roles of the business managers.

Learning outcomes

We identified outcomes of learning at the individual, business, Board and Chapter levels. Individuals report increased confidence and greater satisfaction with their personal and work lives. They develop self understanding, the ability to listen to others, concern for others in the group, ability to take

different roles in a group, the ability to challenge others, and to accept criticism.

The businesses report changes to their physical and financial management and improved communication within the business. The changes, summarised as better use of inputs, contribute to an increase in business profitability for continuing member businesses. A few businesses have moved out of the industry after assessing their situations and likelihood of medium to long term viability.

The Boards develop skills in problem solving. They learn to work as a team to identify, analyse and generate strategies for problems facing member businesses.

> In the beginning ... you're really worried about not using the forms, but now you get much more discipline... We've found that we can target a problem and supply the solution without having to go to the forms now, we get used to the way of defining a problem and solving it. (Executive Link™ focus group)

Chapters have entered into marketing and business deals which would have been beyond the scope of the resources of individual businesses or Boards.

Development of social capital is another outcome of the learning. As it learns, the Executive Link™ community expands the social capital. In turn, this social capital assists the learning of its members. The social capital built by Executive Link™ works to build social capital in the wider community. Members contribute to organisations in the agricultural community:

> Our members are actively seeking to become committee or regional representatives on different committees. There is quite a few of us on the Meat Research Corp... (Executive Link™ business 1)

Preliminary analysis of our data reveals that networks, commitment and shared values are the self-generating elements of social capital. We examine each of these elements, and then consider indicators that these elements of social capital are developing.

Elements of social capital

Networks

The Executive Link™ network is a valuable resource which is used to improve outcomes as members learn. This member sees the network as superior to paying for a single expert opinion:

> You can employ a consultant anytime you like ... but... he only has one point of view. One on one consultancy is never going to be as powerful as the group consultancy because everybody in our Board or in the group has got an area of expertise... So it's got a lot more bang for your buck. (Executive Link™ business 1)

We see that new networks are built by Executive Link™ members, and that these new networks are used in place of older networks which are perceived to be inferior.

> Not getting too hung up on what neighbours are doing ... that's been a big change. (Executive Link™ business 5)

> I fly up to [Board member 1] quite often... when we meet farmers outside we talk, like when you went across to see [Board member 2], ... we actually chatted about things to do with the farm. In the past when you met another farmer you wouldn't... we can openly talk to them [other members], ...we can talk to them at a deeper level than we ever did before. You wouldn't actually go to our neighbours and say "Can I have a look at your budget?" or "How's your budget going". (Executive Link™ business 4)

The Board and Executive Link™ as a whole form a network which supports member businesses as they make changes. These changes frequently involve major alterations for the business.

Shared values

> You get the feeling that you are not just rowing your own canoe, there are others there doing the same thing... it makes it much easier to be positive. (Executive Link™ business 4)

A conscious effort to build shared values emerges from the data. It is evident from observation of Board sessions, the interviews with member businesses and the focus group. There is open acknowledgement that the group is building shared values. In one example, a discussion about when to destock in a dry year contains many references to the 'emotional' side of making decisions. Executive Link™ members value the ability to make 'emotion free' decisions.

The Board members at this session acknowledged that many are afraid they might miss out on the opportunity to make some money from fattening stock if it rains. This emotion could get in the way of acting according to an objective assessment of risks:

> Everyone will tell you "gees I'm glad I destocked" (General consensus) yeah. But how often do you hear people say that "oh gee, I wish I hadn't" because they've got the rain, but it's [deciding to sell stock early] a real mental thing... I guess it's just getting through the psychological barriers. (Board meeting)

Some shared values are about what we call maintenance issues. The members value the structure of the meetings, and the procedures which have been established. They regard the structural and procedural framework as contributing to the success of their learning.

> One Board member commented during the meeting that it is important to follow a consistent process.
> They express dissatisfaction with some facilitators who have not understood the process.
> If the Board gets off track, one member will remind the group about their process.
> Several members mentioned the value in keeping strictly to set times for each session.

One Board expresses their shared value of all working together to improve the performance of all businesses in the group by having a Board goal:

> We have the goal of increasing our [Board's] average profit measure, and a growth for the group. Our goal is to be best group. We see it not as a competition but something to aim for. (Executive Link™ business 2)

Commitment

The literature of social capital makes much of the concept of trust (for example, Cox, 1998; Putnam, 1993, Offe, 1996). The Executive Link™ members do talk about trust as fundamental to the success of Executive Link™. We view the development of trust as part of the process which builds commitment. We suggest that commitment is the element of social capital, and that trust is one indicator that social capital is developing. There are many references to commitment to preparation for meetings, and to making a conscientious effort to implement the advice of the Board.

A member of one Board was struggling to meet the information sharing and reporting back expectations of the Board. The whole Board went to the members' property to help the business 'fit in' to the Board:

> There was tremendous commitment to... go to that place... most of us were in the middle of shearing... I had to get people to do my work for me and the other members of the board were in the same boat, so it really was a crisis as far as the Board itself went, so we just had to do it, and it worked really well and we all gained from it. (Executive Link™ business 4)

The impact of the level of commitment to the group on the quality of learning outcomes is illustrated by the one Board whose members make little contact between meetings. They have not moved to work on their members deeper issues:

> We're supposed to finish after 9 meetings, I think the next one is our 8th. I think some businesses [on our Board] will go away thinking, well we didn't really get much out of it... there's an inclination for our Board members to say you go away and do that. We don't really get in touch with each other and say how are you getting on, can I help in any way... That's where we need that contact between the meetings. (Executive Link™ business 5)

The member businesses believe there are benefits for the businesses from bringing the whole management team to Executive Link™ meetings. This generally includes family members, and sometimes employees. The first quote below illustrates this. By bringing the whole team, these businesses are exhibiting a high level of commitment to the group. The second quote suggests that the whole Board also benefits from the inclusion of whole of business teams, especially from the involvement of the women managers.

> If some partners don't become involved . it's much harder and changes as they come, sometimes some [partners] come and sometimes they don't, and it's interesting what a business gets out of it... I think it works better if the whole team is there, rather than just one, because there could be things affecting one person and not the other and Executive Link™ tends to bring these sort of things out. (Executive Link™ focus group)

> In our Boards the women will actually bring up points that the husbands mightn't have felt so cool about, bringing up certain things, but there in itself makes it more dynamic. (Executive Link™ focus group)

BEST COPY AVAILABLE

Members see commitment from the Board as providing security in the event of adversity:

> [The Board] would help out, because of the commitment and the relationships that you've built up. For me that is security because there's only me, I haven't got brothers or a father. (Executive Link™ business 4)

Indicators of social capital building

There are several indicators of social capital building. These are observed as social capital is used as a lubricant in the learning process. They are development of shared language, shared experiences, personal development, learning to trust others in the group and identification with the group (the Board and Executive Link™).

Shared language

There were many examples of shared language observed during Board meetings, and used again by our interviewees. Talk of De Bono's thinking hats is one example of shared language which lubricates the learning processes:

> As long as someone is wearing the blue hat you know they've taking control, keeping us in line, that's what does make a difference. (Executive Link™ business 5)

> It's just to have in your mind a check list and you're constantly running through and thinking, and it's the same, it should be for your own business anyway... (person 1)
> It basically gets back to the three doesn't it. (person 2)
> Three legs on the pot (person 3)
> Yeah, there's only three ways to improve. (person 1) (Board meeting)

Over many years of working with farm businesses we are familiar with farm managers talking about their "properties", their "places" or their "farms". Executive Link™ members were quick to correct us when we used those terms. They talk of businesses, and explained that term was chosen to reflect their shared purpose of improving their business outcomes, not simply productivity. In a Board which was meeting for the third time, the group was still learning to talk a common language of financial benchmarking. The Board members had many questions about the meaning of terms.

Shared experiences

Meetings include shared 'training' experiences which are planned to fulfil three functions: to develop individuals' ability to learn, to equip groups with strategies for effective group work, and to provide knowledge and skills which can be used in managing businesses. These shared experiences oil the learning processes during the experiential learning sessions:

> The character analysis and support work we do in the group the first time, ... Doing that character analysis is really good.... One of the Board members will say [something] and you think oh that's not really right, but because you know that character, you know that's why they've said it, you can understand them. (Executive Link™ business 5)

Self development

The business managers partly attributed the success of Executive Link™ and their Boards to a group of characteristics which can be described as self development. They talk of growing self confidence, of developing ability take criticism and a desire to seek it out, which goes hand in hand with developing commitment to the group. The willingness of Executive Link™ to be 'researched' for this project is an example of seeking criticism. This quote a good example of how social capital (in the form of a network) is self generating as the support network builds self esteem, which will in turn help to build social capital:

> Executive Link allows you to see how you are going with others, and you get a lot of mutual support and you suddenly find that, oh that's not so bad after all, I'm doing a reasonable job... and then you can start to improve your self esteem. (Executive Link™ business 5)

They talk of the ability of group members to take different roles within Board. In a Board that we observed the leadership changed during the meeting. Learning to handle new roles is regarded as an important aspect of self development and the learning that happens within the Executive Link™ community:

> When the people in the group become more familiar with each other, then they really start doing a role reversal so they give everybody else a go [at roles like facilitation and keeping the peace] to develop their skills in areas they weren't so certain in. (Executive Link™ focus group)

Trust

Trust builds as Board members get to know each other. A manager attending his first meeting was concerned about the "credibility" of other members of his Board, and unsure whether he should accept the advice of others in the group. Members suggested their Boards took 12 to 18 months to develop a degree of trust which enabled them to pool their strengths and work effectively as a team.

> [Searching questions] would make people so uncomfortable, but now there is enough trust and care... we certainly felt awkward at the first few meetings ...we didn't really ask questions, they were just down on you for not having done your homework, as a teacher would be at school, but now it's different. (Executive Link™ business 3)

Commitment builds as trust increases. The quality of learning outcomes increases as the commitment element of social capital grows.

> [Early on] they were just down on you for not having done your homework, as a teacher would be, but now it's different. One business hadn't done their profit probe, which is pretty important, and , so immediately it wasn't, oh they haven't done their profit probe, the question was why haven't they, and that... got to the nub of their problem with their business, and it was the first time we had done it, so instead of coming on hard and it was really great, it was an opportunity actually to dig deeper. (Executive Link™ business 3)

BEST COPY AVAILABLE

Identification with the community

All members are actively involved with the organisation of Executive Link™ through whole Chapter discussions and discussion in Boards. Boards decide on a whole group input to the Overboard who have responsibility for managing Executive Link™ along with the professional consultant facilitators. One of the original members said he feels ownership of the intellectual property of the Executive Link™. The success of Executive Link™ is due to the hard work put in by the first groups and the success of Executive Link™ belongs to the members.

Conclusion

The learning processes that occur in the Executive Link™ community are oiled by the social capital of the community. Executive Link™ has been set up as a learning community, and a deliberate effort has been made to build networks, commitment and shared values. These elements of social capital have built through the development of shared language, shared experiences, trust, self development and fostering an identification with the community.

There are lessons about building social capital which other communities can learn from Executive Link™. Much is readily applicable to other formal learning settings and structured groups. Lessons from Executive Link™ can also be used to build social capital in less well structured settings, and amongst those who have not been 'filtered' to the same extent as the prerequisite course filters Executive Link™ members. Knowledge of the indicators of social capital provides a guide to areas where intervention in communities can work to build social capital. Communities which want to enhance their learning through building social capital should work to develop shared language, shared experiences, trust, personal development and a identification with the community.

References

Anderson, J, 1997, Agriculture - advancing Australia, a statement by the Primary Industries and Energy Minister, Commonwealth of Australia, Canberra.

Australian Bureau of Statistics, 1995, *Small business in Australia* 1995, Cat no 1321.0, AGPS, Canberra.

Benjamin, J, Bessant, J, & Watts, R, 1997, *Making groups work: Rethinking practice*, Allen & Unwin, Sydney.

Brooks, R & Moore, A, 1997, Establishing learning communities for economic development, paper presented at International Conference Community Development Society, Athens, Georgia.

Brown, JS & Duguid, P, 1991, Organizational learning and communities-of-practice: Toward a unified view of working, learning and innovation, *Organization Science*, 2, 1, 40-57.

Coleman, J, 1988, Social capital in the creation of human capital, *American Journal of Sociology*, 94, Supplement S pp. 95-120.

Cox, E, 1998, Measuring social capital as part of progress and well-being. Paper presented to CSIRO, unpublished.

Crossan, M & Hulland, J, forthcoming, Measuring organizational learning, Academy of Management.

Falk, I, 1997, "Community learning": Using critical learning to achieve sustainable community outcomes. Presentation to 29th Annual International Conference Reflections on the Learning Community, July 27-30, The Classic Centre, Athens, Georgia USA.

Harrison, L & Falk, I, forthcoming, Community learning and social capital: "Just having a little chat". *Journal of Vocational Education and Training*.

Kasl, E, & Marsick, V, 1997 Epistemology of groups as learning systems: A research-based analysis, *Proceedings of the 27th Annual SCUTREA Conference*, Birkbeck College, University of London.

Kilpatrick, S, 1997, Promoting learning networks for small business: How can group learning facilitate change? In *Lifelong Learning: Reality, Rhetoric & Public Policy Conference, Proceedings*. University of Surrey, 4-6 July, pp. 188-194.

Kilpatrick, S, 1996, *Change, training and farm profitability*, National Focus. A National Farmers' Federation Research Paper, National Farmers Federation, Canberra.

Kochan, T & Useem, M, 1992, *Transforming organizations*, Oxford University Press, New York.

Lave, J & Wenger, E, 1991, *Situated learning: Legitimate peripheral participation*, Cambridge University Press, New York.

Lindsay, N, 1918, *The magic pudding*, Angus & Robertson, Sydney.

Lundvall, B, 1992, *National systems of innovation*, Pinter Publishers, London.

National Farmers' Federation, 1993, *New horizons: A strategy for Australia's Agrifood Industries*, National Farmers' Federation, Canberra.

Offe, C 1996, Draft paper for social capital project, unpublished.

Putnam, R, 1993, The prosperous community: Social capital and public life. *The American Prospect*, 13, Spring, pp. 35-42.

Rogers, E 1995, *Diffusion of innovations*, 4th edition, The Free Press, New York.

Rogers, E & Shoemaker, F, 1971, *Communication of innovations* The Free Press, New York.

Thomas, J, Ladewig, H & McIntosh, W 1990, 'The adoption of integrated pest management among Texas cotton growers, *Rural Sociology*, 55:3; pp. 395-410.

Topolsky, J, 1997, On target, on task, on reflection: The culture of learning communities. Plenary of the International Conference Community Development Society, Athens, Georgia.

Welch, F 1970, Education in production, *Journal of Political Economy*, 78; pp. 37-59.